

110TH CONGRESS
1ST SESSION

H. R. 3943

To amend the Trade Act of 1974 to reauthorize the trade adjustment assistance for workers program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 2007

Mr. HERGER (for himself, Mr. BRADY of Texas, Mr. WELLER of Illinois, Mr. RAMSTAD, Mr. RYAN of Wisconsin, Mr. TIBERI, Mr. NUNES, and Mr. SAM JOHNSON of Texas) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Trade Act of 1974 to reauthorize the trade adjustment assistance for workers program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Trade Adjustment Assistance and Training Improve-
6 ments Act of 2007”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Petitions and Determinations

- Sec. 101. Petitions.
- Sec. 102. Group eligibility requirements.
- Sec. 103. Determinations by Secretary of Labor.
- Sec. 104. Benefit information to workers.
- Sec. 105. Administrative reconsideration of determinations by Secretary of Labor.

Subtitle B—Program Benefits

CHAPTER 1—TRADE READJUSTMENT ALLOWANCES

- Sec. 111. Qualifying requirements for workers.
- Sec. 112. Weekly amounts.
- Sec. 113. Limitations on trade readjustment allowances.

CHAPTER 2—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

- Sec. 121. Reemployment services.
- Sec. 122. Training.
- Sec. 123. Job search allowances.
- Sec. 124. Relocation allowances.

Subtitle C—General Provisions

- Sec. 131. Agreements with States.
- Sec. 132. Authorization of appropriations; incentive payments to States.
- Sec. 133. Phase-out of demonstration project for alternative trade adjustment assistance for older workers.
- Sec. 134. Wage supplement program.
- Sec. 135. Definitions.
- Sec. 136. Capacity-building grants to enhance training for workers.

Subtitle D—Effective Date

- Sec. 141. Effective date.

TITLE II—OTHER TRADE ADJUSTMENT ASSISTANCE PROGRAMS AND RELATED PROVISIONS

- Sec. 201. Technical assistance for firms.
- Sec. 202. Extension of trade adjustment assistance for firms.
- Sec. 203. Extension of trade adjustment assistance for farmers.
- Sec. 204. Judicial review.
- Sec. 205. Termination.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. Credit reduction for failures relating to co-enrollment of participants and program performance reports.
- Sec. 302. TAA wage supplement participants eligibility for credit for health insurance costs.

1 **TITLE I—TRADE ADJUSTMENT**
2 **ASSISTANCE FOR WORKERS**
3 **Subtitle A—Petitions and**
4 **Determinations**

5 **SEC. 101. PETITIONS.**

6 Section 221(a) of the Trade Act of 1974 (19 U.S.C.
7 2271(a)) is amended—

8 (1) in paragraph (1), by striking “simulta-
9 neously with the Secretary and with the Governor of
10 the State in which such workers’ firm or subdivision
11 is located” and inserting “with the Secretary”;

12 (2) by redesignating paragraphs (2) and (3) as
13 paragraphs (3) and (4), respectively;

14 (3) by inserting after paragraph (1) the fol-
15 lowing new paragraph:

16 “(2) Upon receipt of a petition filed under paragraph
17 (1), the Secretary shall promptly notify the Governor of
18 the State in which such workers’ firm or subdivision is
19 located of the filing of the petition and its contents.”;

20 (4) in paragraph (3) (as redesignated by para-
21 graph (2) of this section), by striking “a petition
22 filed under paragraph (1)” and inserting “a notice
23 under paragraph (2)”;

24 (5) in paragraph (4) (as redesignated by para-
25 graph (2) of this section)—

1 (A) by striking “the petition” and insert-
 2 ing “a petition filed under paragraph (1)”; and
 3 (B) by inserting “and on the Website of
 4 the Department of Labor” after “in the Fed-
 5 eral Register”.

6 **SEC. 102. GROUP ELIGIBILITY REQUIREMENTS.**

7 (a) IN GENERAL.—Subsection (a)(2)(B)(i) of section
 8 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amend-
 9 ed by inserting at the end before the semicolon the fol-
 10 lowing: “that contributed importantly to such workers’
 11 separation or threat of separation”.

12 (b) ADVERSELY AFFECTED SECONDARY WORK-
 13 ERS.—Subsection (b) of such section is amended—

14 (1) in paragraph (2), by striking “and” at the
 15 end;

16 (2) by redesignating paragraph (3) as para-
 17 graph (4);

18 (3) by inserting after paragraph (2) the fol-
 19 lowing new paragraph:

20 “(3) the sales or production, or both, of such
 21 firm or subdivision have decreased absolutely; and”;
 22 and

23 (4) in subparagraph (A) of paragraph (4) (as
 24 redesignated by paragraph (2) of this subsection), by
 25 inserting at the end before the semicolon the fol-

1 lowing: “and contributed importantly to the workers’
2 separation or threat of separation determined under
3 paragraph (1)”.

4 (c) DEFINITIONS.—Subsection (c) of such section is
5 amended—

6 (1) in paragraph (3), by striking “, if the cer-
7 tification of eligibility under subsection (a) is based
8 on an increase in imports from, or a shift in produc-
9 tion to, Canada or Mexico”; and

10 (2) by adding at the end the following new
11 paragraphs:

12 “(5) The term ‘article’ means—

13 “(A) a tangible product subject to duty
14 under the Harmonized Tariff Schedule of the
15 United States which is not incidental to the
16 provision of a service; or

17 “(B) an intangible product, such as a dig-
18 ital product (including computer programs,
19 text, video, image and sound recordings, and
20 similar products), that would be subject to duty
21 under the Harmonized Tariff Schedule of the
22 United States if the intangible product were
23 embodied in a physical medium and which is
24 not incidental to the provision of a service.

25 “(6) The term ‘worker’ means—

1 “(A) with respect to a firm described in
2 subsection (a)—

3 “(i) an individual directly employed by
4 the firm that produces an article that is
5 the basis for a determination under sub-
6 section (a) and who performs tasks relat-
7 ing to the production of the article; or

8 “(ii) an individual who is under the
9 operational control of the firm that pro-
10 duces an article that is the basis for a de-
11 termination under subsection (a) pursuant
12 to a contract or leasing arrangement and
13 who performs tasks relating to the produc-
14 tion of the article;

15 “(B) with respect to a firm that is a sup-
16 plier described in subsection (b)—

17 “(i) an individual directly employed by
18 the firm that is a supplier and who per-
19 forms tasks relating to the production of
20 component parts for an article that is the
21 basis for a determination under subsection
22 (a); or

23 “(ii) an individual who is under the
24 operational control of the firm that is a
25 supplier pursuant to a contract or leasing

1 arrangement and who performs tasks relat-
2 ing to the production of component parts
3 for an article that is the basis for a deter-
4 mination under subsection (a); and

5 “(C) with respect to a firm that is a down-
6 stream producer described in subsection (b)—

7 “(i) an individual directly employed by
8 the firm that is a downstream producer
9 and who perform tasks relating to the pro-
10 vision of additional, value-added production
11 processes for an article that is the basis for
12 a determination under subsection (a); or

13 “(ii) an individual who is under the
14 operational control of the firm that is a
15 downstream producer pursuant to a con-
16 tract or leasing arrangement and who per-
17 forms tasks relating to the provision of ad-
18 ditional, value-added production processes
19 for an article that is the basis for a deter-
20 mination under subsection (a).”.

21 **SEC. 103. DETERMINATIONS BY SECRETARY OF LABOR.**

22 (a) WORKERS COVERED BY CERTIFICATION.—Sub-
23 section (b) of section 223 of the Trade Act of 1974 (19
24 U.S.C. 2273) is amended—

1 (1) in the matter preceding paragraph (1), by
2 striking “under this section” and inserting “under
3 subsection (a) or (d) of this section”; and

4 (2) in paragraph (2), to read as follows:

5 “(2) after the earliest of—

6 “(A) the date that is two years after the
7 date on which certification is granted under
8 subsection (a);

9 “(B) the date that is two years after the
10 date of the earliest determination, if any, deny-
11 ing certification under subsection (a); or

12 “(C) the termination date, if any, deter-
13 mined under subsection (e).”.

14 (b) PUBLICATION OF DETERMINATION.—Subsection
15 (c) of such section is amended—

16 (1) by striking “his determination” and insert-
17 ing “a determination”;

18 (2) by inserting “and on the Website of the De-
19 partment of Labor” after “in the Federal Register”;
20 and

21 (3) by striking “his reasons” and inserting “the
22 Secretary’s reasons”.

23 (c) AMENDMENT TO CERTIFICATION.—Such section
24 is further amended—

1 (1) by redesignating subsection (d) as sub-
2 section (e); and

3 (2) by inserting after subsection (c) the fol-
4 lowing new subsection:

5 “(d) Whenever the Secretary determines, with respect
6 to any certification of eligibility of the workers of a firm
7 or subdivision of the firm, and subject to such regulations
8 as the Secretary may prescribe, that good cause exists to
9 amend such certification, the Secretary shall amend such
10 certification and promptly publish notice of such amend-
11 ment in the Federal Register and on the Website of the
12 Department of Labor together with the reasons for mak-
13 ing such determination.”.

14 (d) TERMINATION OF CERTIFICATION.—Subsection
15 (e) of such section (as redesignated by subsection (c)(1)
16 of this section) is amended—

17 (1) by striking “he shall” and inserting “the
18 Secretary shall”;

19 (2) by inserting “and on the Website of the De-
20 partment of Labor” after “in the Federal Register”;
21 and

22 (3) by striking “his reasons” and inserting “the
23 Secretary’s reasons”.

1 **SEC. 104. BENEFIT INFORMATION TO WORKERS.**

2 Section 225(a) of the Trade Act of 1974 (19 U.S.C.
3 2275(a)) is amended in the fourth sentence by striking
4 “the State Board for Vocational Education or equivalent
5 agency and other public or private agencies, institutions,
6 and employers, as appropriate,” and inserting “the appro-
7 priate State workforce investment board (established
8 under section 111 of the Workforce Investment Act of
9 1998 (29 U.S.C. 2821)) and State workforce agency re-
10 sponsible for the administration of the State workforce in-
11 vestment program funded under title I of the Workforce
12 Investment Act of 1998 (29 U.S.C. 2801 et seq.)”.

13 **SEC. 105. ADMINISTRATIVE RECONSIDERATION OF DETER-**
14 **MINATIONS BY SECRETARY OF LABOR.**

15 (a) IN GENERAL.—Subchapter A of chapter 2 of title
16 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
17 amended by adding at the end the following new section:

18 **“SEC. 226. ADMINISTRATIVE RECONSIDERATION OF DETER-**
19 **MINATIONS BY SECRETARY OF LABOR.**

20 “(a) ADMINISTRATIVE RECONSIDERATION.—

21 “(1) IN GENERAL.—A worker, group of work-
22 ers, certified or recognized union or other duly au-
23 thorized representative of such worker or group of
24 workers, or any of the individuals or entities de-
25 scribed in section 221(a)(1)(C), aggrieved (or on be-
26 half of such workers aggrieved) by a determination

1 of the Secretary of Labor under section 223 denying
2 a certification of eligibility, may file a request for
3 administrative reconsideration with the Secretary
4 not later than 60 days after the date on which notice
5 of the determination is published under section 223.

6 “(2) FAILURE TO MAKE TIMELY REQUEST.—
7 The failure to file a request for administrative recon-
8 sideration of a determination denying a certification
9 of eligibility under section 223 within the 60-day pe-
10 riod described in paragraph (1) shall be deemed to
11 be a failure to exhaust administrative remedies and
12 such determination shall not be subject to judicial
13 review under section 284.

14 “(b) NOTICE, REVIEW, AND FINAL DETERMINA-
15 TION.—

16 “(1) NOTICE.—If a request for administrative
17 reconsideration of a determination of the Secretary
18 is filed in accordance with the provisions of sub-
19 section (a), the Secretary shall promptly publish no-
20 tice thereof in the Federal Register and on the
21 Website of the Department of Labor.

22 “(2) REVIEW OF DETERMINATION.—The Sec-
23 retary shall initiate a review of the determination of
24 the Secretary upon filing of the request for adminis-
25 trative reconsideration under subsection (a) and

1 shall include an opportunity for interested persons to
2 submit additional information.

3 “(3) FINAL DETERMINATION.—The Secretary
4 shall issue a final determination on the request for
5 administrative reconsideration not later than 60
6 days after the date on which the Secretary publishes
7 notice of the request for reconsideration pursuant to
8 paragraph (1). Upon reaching a determination on a
9 reconsideration, the Secretary shall promptly publish
10 a summary of the determination in the Federal Reg-
11 ister and on the Website of the Department of
12 Labor, together with the reasons for making such
13 determination. The requirements relating to judicial
14 review under section 284 shall apply to any deter-
15 mination made by the Secretary under this sub-
16 section.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 in section 1 of the Trade Act of 1974 is amended by in-
19 serting after the item relating to section 225 the following:

“Sec. 226. Administrative reconsideration of determinations by Secretary of
Labor.”.

1 **Subtitle B—Program Benefits**
2 **CHAPTER 1—TRADE READJUSTMENT**
3 **ALLOWANCES**

4 **SEC. 111. QUALIFYING REQUIREMENTS FOR WORKERS.**

5 (a) BASIC TRADE READJUSTMENT ALLOWANCE.—

6 Subsection (a) of section 231 of the Trade Act of 1974
7 (19 U.S.C. 2291) is amended—

8 (1) in the matter preceding paragraph (1), by
9 striking “60 days” and inserting “40 days”;

10 (2) in paragraph (1), by striking “occurred—”
11 and all that follows and inserting “occurred during
12 the period described in section 223(b).”; and

13 (3) by striking paragraphs (4) and (5).

14 (b) PAYMENT OF ADDITIONAL TRADE READJUST-
15 MENT ALLOWANCE.—Such section is further amended—

16 (1) by redesignating subsections (b) and (c) as
17 subsections (c) and (d), respectively; and

18 (2) by inserting after subsection (a) the fol-
19 lowing new subsection:

20 “(b) In addition to the payment of a trade readjust-
21 ment allowance under subsection (a), payment of an addi-
22 tional trade readjustment allowance shall be made to an
23 adversely affected worker who is covered by a certification
24 under subchapter A and who—

1 “(1) files an application for such allowance for
 2 any week of unemployment which begins after the
 3 worker has received the maximum amount of trade
 4 readjustment allowances payable under subsection
 5 (a);

6 “(2) meets the conditions described in para-
 7 graphs (1) through (3) of subsection (a); and

8 “(3) is either—

9 “(A) totally unemployed and is enrolled in
 10 a full-time training program approved by the
 11 Secretary under section 236(a); or

12 “(B) partially unemployed and is enrolled
 13 in a full-time or part-time training program ap-
 14 proved by the Secretary under section 236(a).”.

15 (c) WITHHOLDING OF TRADE READJUSTMENT AL-
 16 LOWANCE PENDING BEGINNING OR RESUMPTION OF PAR-
 17 TICIPATION IN TRAINING PROGRAM; PERIOD OF APPLICA-
 18 BILITY.—Subsection (c) of such section (as redesignated
 19 by subsection (b)(1) of this section) is amended to read
 20 as follows:

21 “(c) If the Secretary determines that—

22 “(1) the adversely affected worker—

23 “(A) has failed to begin participation in
 24 the training program the enrollment in which
 25 meets the requirement of subsection (b)(3), or

1 “(B) has ceased to participate in such
2 training program before completing such train-
3 ing program, and

4 “(2) there is no justifiable cause for such fail-
5 ure or cessation,

6 no trade readjustment allowance may be paid to the ad-
7 versely affected worker under this part for the week in
8 which such failure, cessation, or revocation occurred, or
9 any succeeding week, until the adversely affected worker
10 begins or resumes participation in a training program ap-
11 proved under section 236(a).”.

12 (d) WAIVERS OF TRAINING REQUIREMENTS.—Sub-
13 section (d) of such section (as redesignated by subsection
14 (b)(1) of this section) is hereby repealed.

15 **SEC. 112. WEEKLY AMOUNTS.**

16 (a) IN GENERAL.—Subsection (a) of section 232 of
17 the Trade Act of 1974 (19 U.S.C. 2292) is amended—

18 (1) by striking “(a)” and inserting “(a)(1)”;

19 (2) by inserting “paragraph (2) and” after
20 “Subject to”;

21 (3) by redesignating paragraphs (1) and (2) as
22 subparagraphs (A) and (B), respectively; and

23 (4) by adding at the end the following new
24 paragraph:

1 “(2)(A) Notwithstanding section 231(a)(3)(B), if an
2 adversely affected worker who is participating in training
3 qualifies for unemployment insurance under State law,
4 based in whole or in part upon part-time or short-term
5 employment following approval of the worker’s initial
6 trade readjustment allowance application under section
7 231(a), then for any week for which unemployment insur-
8 ance is payable and for which the worker would otherwise
9 be entitled to a trade readjustment allowance based upon
10 the certification under section 223, the worker shall be
11 paid a trade readjustment allowance in the amount de-
12 scribed in subparagraph (B).

13 “(B) The trade readjustment allowance payable
14 under subparagraph (A) shall be equal to the weekly ben-
15 efit amount of the unemployment insurance upon which
16 the worker’s trade readjustment allowance was initially de-
17 termined under paragraph (1), reduced by—

18 “(i) the amount of the unemployment insurance
19 benefit payable to such worker for that week of un-
20 employment for which a trade readjustment allow-
21 ance is payable under subparagraph (A) of this
22 paragraph; and

23 “(ii) the amounts described in subparagraphs
24 (A) and (B) of paragraph (1).”.

1 (b) ADVERSELY AFFECTED WORKERS WHO ARE UN-
 2 DERGOING TRAINING.—Subsection (b) of such section is
 3 amended—

4 (1) by inserting “under section 231(b)” after
 5 “who is entitled to trade readjustment allowances”;
 6 and

7 (2) by striking “he is undergoing any such”
 8 and inserting “such worker is undergoing”.

9 **SEC. 113. LIMITATIONS ON TRADE READJUSTMENT ALLOW-**
 10 **ANCES.**

11 Section 233 of the Trade Act of 1974 (19 U.S.C.
 12 2293) is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (1)—

15 (i) by striking “The maximum
 16 amount” and inserting “Except as pro-
 17 vided in paragraph (3), the maximum
 18 amount”; and

19 (ii) by striking “52” and inserting
 20 “39”; and

21 (B) in paragraph (3), by striking “52”
 22 each place it appears and inserting “65”;

23 (2) by striking subsection (b);

24 (3) by redesignating subsections (c) through (g)
 25 as subsections (b) through (f), respectively; and

1 (4) in subsection (f) (as redesignated by para-
 2 graph (3) of this section), by striking “section
 3 236(a)(5)(D)” and inserting “section 236”.

4 **CHAPTER 2—TRAINING, OTHER REEM-**
 5 **PLOYMENT SERVICES, AND ALLOW-**
 6 **ANCES**

7 **SEC. 121. REEMPLOYMENT SERVICES.**

8 (a) IN GENERAL.—Section 235 of the Trade Act of
 9 1974 (19 U.S.C. 2295) is amended—

10 (1) in the heading, by striking “**EMPLOY-**
 11 **MENT**” and inserting “**REEMPLOYMENT**”;

12 (2) by striking “The Secretary” the first place
 13 it appears and inserting “(a) The Secretary”;

14 (3) by striking “counseling, testing, and place-
 15 ment services, and supportive and other services”
 16 and inserting “career counseling, testing and assess-
 17 ments, and job placement services, and supportive
 18 and other services”; and

19 (4) by adding at the end the following new sub-
 20 section:

21 “(b) In order to facilitate the provision of services
 22 described in subsection (a), the Secretary shall ensure the
 23 effective implementation of the requirements of section
 24 239(e) relating to the co-enrollment of adversely affected
 25 workers in the dislocated worker program authorized

1 under chapter 5 of subtitle B of title I of the Workforce
 2 Investment Act of 1998 (29 U.S.C. 2861 et seq.).”.

3 (b) CLERICAL AMENDMENT.—The table of contents
 4 in section 1 of the Trade Act of 1974 is amended by strik-
 5 ing the heading relating to part II of subchapter B of
 6 chapter 2 of title II of the Trade Act of 1974 and the
 7 item relating to section 235 of such Act and inserting the
 8 following:

“PART II—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES
 “Sec. 235. Reemployment services.”.

9 **SEC. 122. TRAINING.**

10 (a) IN GENERAL.—Section 236 of the Trade Act of
 11 1974 (19 U.S.C. 2296) is amended to read as follows:

12 **“SEC. 236. TRAINING.**

13 **“(a) APPROVAL OF TRAINING.—**

14 **“(1) IN GENERAL.—**If the Secretary determines
 15 that an adversely affected worker, including an ad-
 16 versely affected worker who has obtained reemploy-
 17 ment subsequent to separation from the adversely
 18 affected employment, or an adversely affected in-
 19 cumbent worker, meets the criteria described in
 20 paragraph (2), and otherwise meets the require-
 21 ments described under this section, the Secretary
 22 shall approve the training program requested by the
 23 worker. Upon such approval, the worker shall be en-
 24 titled to have payment of the costs of such training

1 (subject to the limitations imposed by this section)
2 paid on the worker's behalf by the Secretary directly
3 or through a voucher system. The costs of such
4 training shall include the costs of tuition, books, re-
5 quired tools, and fees related to education, licensing,
6 or certification.

7 “(2) CRITERIA FOR APPROVAL OF TRAINING
8 PROGRAM.—For purposes of paragraph (1), training
9 for an adversely affected worker or an adversely af-
10 fected incumbent worker, shall be approved if the
11 Secretary determines that—

12 “(A) the worker needs additional market-
13 able skills to obtain or retain employment com-
14 parable to the worker's adversely affected em-
15 ployment;

16 “(B) there is a reasonable expectation of
17 such employment following the completion of
18 the training; and

19 “(C) the worker is qualified to undertake
20 and complete the training sought.

21 “(3) ENROLLMENT DEADLINE.—

22 “(A) IN GENERAL.—In order to receive as-
23 sistance under this section, a worker shall enroll
24 in a training program approved under para-
25 graph (1) not later than the later of—

1 “(i) the last day of the 39th week
2 after the worker’s most recent separation
3 from adversely affected employment which
4 meets the requirements of paragraphs (1)
5 and (2) of section 231(a); or

6 “(ii) the last day of the 13th week
7 after the week in which the Secretary
8 issues a certification under subchapter A
9 covering such worker.

10 “(B) EXTENSION FOR JUSTIFIABLE
11 CAUSE.—The Secretary may grant an extension
12 of the enrollment period described in subpara-
13 graph (A) for a worker if the Secretary deter-
14 mines that there is justifiable cause for such an
15 extension.

16 “(b) FUNDING FOR TRAINING.—

17 “(1) ANNUAL LIMIT ON AGGREGATE PAYMENTS
18 UNDER PROGRAM.—

19 “(A) IN GENERAL.—The total amount of
20 payments that may be made under subsection
21 (a)(1) for any fiscal year shall not exceed
22 \$220,000,000.

23 “(B) APPORTIONMENT AMONG STATES.—
24 The Secretary shall establish a method for ap-
25 portioning among States the funds that are

1 available for training under this chapter in any
2 fiscal year. Such method may include the use of
3 formula allotments and reallotments, and the
4 establishment of a reserve that is used to assist
5 in apportioning funds to those States in need of
6 additional funding during the fiscal year.

7 “(2) LIMITATIONS APPLICABLE TO WORKERS.—

8 “(A) DURATION.—Subject to subpara-
9 graph (C), the costs of a training program ap-
10 proved under subsection (a)(1) for an adversely
11 affected worker or an adversely affected incum-
12 bent worker shall be paid under this section for
13 a period not to exceed four years from the date
14 the worker first enrolled in the training pro-
15 gram. A worker may participate in such train-
16 ing program during such period on a full-time
17 or part-time basis. During the period of partici-
18 pation the worker shall make adequate yearly
19 progress, as determined by the Secretary, to-
20 ward the attainment of a license, certificate, or
21 degree pursuant to such training program in
22 order to remain eligible for assistance under
23 this section.

24 “(B) AMOUNT.—Subject to subparagraph
25 (C), the payments for a training program under

1 subsection (a)(1) for a worker may not exceed
2 \$4,000 for any one-year period, or a total of
3 \$8,000 over the maximum four-year period de-
4 scribed in subparagraph (A).

5 “(C) EXCEPTIONS.—

6 “(i) LITERACY TRAINING AND PRE-
7 REQUISITES.—If the Secretary determines
8 that an adversely affected worker or an ad-
9 versely affected incumbent worker needs
10 literacy training, English as a second lan-
11 guage instruction, remedial education, edu-
12 cational assistance to obtain a high school
13 diploma or General Equivalency Degree, or
14 prerequisites in order to participate in a
15 training program for occupations in de-
16 mand, the Secretary shall approve the pro-
17 vision of such activities and provide up to
18 \$1,000 in payments for such activities.
19 Such payments shall not be included for
20 purposes of applying the limits on pay-
21 ments described in subparagraph (B).

22 “(ii) ON-THE-JOB TRAINING.—The
23 provisions of subparagraphs (A) and (B)
24 shall not be applicable to on-the-job train-

1 ing programs, except as provided in sub-
2 section (f)(2).

3 “(3) DUPLICATIVE PAYMENTS PROHIBITED.—

4 No payment may be made under subsection (a)(1) of
5 the costs of training an adversely affected worker or
6 an adversely affected incumbent worker if such costs
7 are payable or have already been paid under any
8 other provision of Federal law.

9 “(4) REPORT.—

10 “(A) IN GENERAL.—Not later than May
11 31 and November 30 of each year, the Sec-
12 retary shall submit to the Committee on Fi-
13 nance of the Senate and the Committee on
14 Ways and Means of the House of Representa-
15 tives a report on—

16 “(i) the initial allocation among
17 States of funds for training approved
18 under this section;

19 “(ii) any additional distributions of
20 funds for training approved under this sec-
21 tion during the two most recent fiscal
22 quarters and cumulatively during the fiscal
23 year;

24 “(iii) the amount of funds obligated
25 and expended by the States to provide

1 training approved under this section dur-
2 ing the two most recent fiscal quarters and
3 cumulatively during the fiscal year; and

4 “(iv) the efforts of the Department of
5 Labor to ensure that each State receives
6 an appropriate level of funds during the
7 fiscal year to provide training approved
8 under this section to all eligible workers.

9 “(B) DEFINITION.—In this paragraph, the
10 term ‘fiscal quarter’ means any 3-month period
11 beginning on October 1, January 1, April 1, or
12 July 1 of a fiscal year.

13 “(c) TRAINING PROGRAMS THAT MAY BE AP-
14 PROVED.—The training programs that may be approved
15 under subsection (a) include—

16 “(1) employer-based training, including—

17 “(A) on-the-job training;

18 “(B) customized training; and

19 “(C) apprenticeship programs registered
20 under the National Apprenticeship Act (29
21 U.S.C. 50 et seq.);

22 “(2) a training program that leads to a license,
23 certificate, or degree and is linked to occupations in
24 demand, which may include training provided in

1 classroom, distance learning, and technology-based
2 learning;

3 “(3) a training program that has been deter-
4 mined by a State to be eligible to receive payments
5 under section 122 of the Workforce Investment Act
6 of 1998 (29 U.S.C. 2842);

7 “(4) a program of remedial education that will
8 enable a worker to obtain employment or to enroll
9 in a training program described in paragraph (2) or
10 (3); and

11 “(5) a training program for which all, or any
12 portion, of the costs of training the worker are
13 paid—

14 “(A) under any Federal or State program
15 other than this chapter; or

16 “(B) from any source other than this sec-
17 tion.

18 “(d) SHARING OF COSTS.—

19 “(1) IN GENERAL.—The Secretary is not re-
20 quired under subsection (a) to pay the costs of any
21 training approved under such subsection to the ex-
22 tent that such costs are paid—

23 “(A) under any Federal or State program
24 other than this chapter; or

1 “(B) from any source other than this sec-
2 tion.

3 “(2) COST-SHARING AGREEMENT.—Before ap-
4 proving any training to which paragraph (1) may
5 apply, the Secretary may require that the adversely
6 affected worker or the adversely affected incumbent
7 worker enter into an agreement with the Secretary
8 under which the Secretary will not be required to
9 pay under this section the portion of the costs of
10 such training that the worker has reason to believe
11 will be paid under the program, or by the source, de-
12 scribed in subparagraph (A) or (B) of paragraph
13 (1).

14 “(e) SUPPLEMENTAL ASSISTANCE.—

15 “(1) IN GENERAL.—The Secretary may, where
16 appropriate, authorize supplemental assistance nec-
17 essary to defray reasonable transportation and sub-
18 sistence expenses for separate maintenance when
19 training is provided in facilities that are not within
20 commuting distance of a worker’s regular place of
21 residence.

22 “(2) LIMITATIONS.—The Secretary may not au-
23 thorize—

24 “(A) payments for subsistence that exceed
25 whichever is the lesser of—

1 “(i) the actual per diem expenses for
2 subsistence; or

3 “(ii) payments at 50 percent of the
4 prevailing per diem allowance rate author-
5 ized under the Federal travel regulations;
6 or

7 “(B) payments for travel expenses exceed-
8 ing the prevailing mileage rate authorized under
9 the Federal travel regulations.

10 “(f) PAYMENT OF COSTS OF ON-THE-JOB TRAIN-
11 ING.—

12 “(1) IN GENERAL.—The Secretary shall pay the
13 costs of any on-the-job training of an adversely af-
14 fected worker that is approved under subsection
15 (a)(1), but the Secretary may pay such costs, not-
16 withstanding any other provision of this section, only
17 if—

18 “(A) no currently employed worker is dis-
19 placed by such adversely affected worker (in-
20 cluding partial displacement such as a reduction
21 in the hours of nonovertime work, wages, or
22 employment benefits);

23 “(B) such training does not impair existing
24 contracts for services or collective bargaining
25 agreements;

1 “(C) in the case of training which would be
2 inconsistent with the terms of a collective bar-
3 gaining agreement, the written concurrence of
4 the labor organization concerned has been ob-
5 tained;

6 “(D) no other individual is on layoff from
7 the same, or any substantially equivalent, job
8 for which such adversely affected worker is
9 being trained;

10 “(E) the employer has not terminated the
11 employment of any regular employee or other-
12 wise reduced the work force of the employer
13 with the intention of filling the vacancy so cre-
14 ated by hiring such adversely affected worker;

15 “(F) the job for which such adversely af-
16 fected worker is being trained is not being cre-
17 ated in a promotional line that will infringe in
18 any way upon the promotional opportunities of
19 currently employed individuals;

20 “(G) such training is not for the same oc-
21 cupation from which the worker was separated
22 and with respect to which such worker’s group
23 was certified pursuant to section 222;

24 “(H) the employer is provided reimburse-
25 ment of not more than 50 percent of the wage

1 rate of the participant, for the cost of providing
2 the training and additional supervision related
3 to the training;

4 “(I) the duration of such training does not
5 exceed 1 year; and

6 “(J) the employer has not received pay-
7 ment under subsection (a)(1) with respect to
8 any other on-the-job training provided by such
9 employer which failed to meet the requirements
10 of subparagraphs (A), (B), (C), (D), (E), and
11 (F).

12 “(2) SUPPLEMENTARY TRAINING.—An on-the-
13 job training program approved under this section
14 may include, as a component of such program, the
15 provision of training with a provider other than the
16 employer that is not provided on-the-job and is de-
17 signed to enhance the occupational skills of the
18 worker. The costs of such training shall be subject
19 to the limitation described in subsection (b)(2)(B).

20 “(g) EFFECT OF APPROVED TRAINING ON ELIGI-
21 BILITY FOR UNEMPLOYMENT COMPENSATION.—A worker
22 may not be determined to be ineligible or disqualified for
23 unemployment insurance or program benefits under this
24 subchapter because the individual is in training approved
25 under subsection (a), because of leaving work which is not

1 comparable employment to enter such training, or because
 2 of the application to any such week in training of provi-
 3 sions of State law or Federal unemployment insurance law
 4 relating to availability for work, active search for work,
 5 or refusal to accept work.

6 “(h) DEFINITION.—In this section, the term ‘cus-
 7 tomized training’ means training that is—

8 “(1) designed to meet the special requirements
 9 of an employer or group of employers;

10 “(2) conducted with a commitment by the em-
 11 ployer or group of employers to employ an individual
 12 upon successful completion of the training; and

13 “(3) for which the employer pays for a signifi-
 14 cant portion of the cost of such training, as deter-
 15 mined by the Secretary.”.

16 (b) CONFORMING AMENDMENTS.—Part II of sub-
 17 chapter B of chapter 2 of title II of the Trade Act of 1974
 18 (19 U.S.C. 2295 et seq.) is amended—

19 (1) in section 237(b)(2), by striking “section
 20 236(b)(1) and (2)” and inserting “section 236”; and

21 (2) in subsections (b)(1) and (c)(2) of section
 22 238, by striking “section 236(b)(1) and (2)” each
 23 place it appears and inserting “section 236”.

1 **SEC. 123. JOB SEARCH ALLOWANCES.**

2 Section 237(a)(2) of the Trade Act of 1974 (19
3 U.S.C. 2297(a)(2)) is amended—

4 (1) in subparagraph (B), by striking “suitable”
5 and inserting “comparable”; and

6 (2) in subparagraph (C)(ii), by striking “, un-
7 less the worker received a waiver under section
8 231(c)”.

9 **SEC. 124. RELOCATION ALLOWANCES.**

10 Section 238(a)(2) of the Trade Act of 1974 (19
11 U.S.C. 2298(a)(2)) is amended—

12 (1) in subparagraph (B), by striking “suitable”
13 and inserting “comparable”;

14 (2) in subparagraph (D)—

15 (A) in the heading, by striking “SUIT-
16 ABLE” and inserting “OUT-OF-AREA”; and

17 (B) in clause (i) to read as follows:

18 “(i) has obtained employment afford-
19 ing a reasonable expectation of long-term
20 duration in the area in which the worker
21 wishes to relocate and which provides
22 wages that are substantially greater than
23 the wages for the employment that is likely
24 to be available to the worker in the area
25 from which the worker would be relocating;
26 and”; and

1 (3) in subparagraph (E)(ii), by striking “, un-
 2 less the worker received a waiver under section
 3 231(c)”.

4 **Subtitle C—General Provisions**

5 **SEC. 131. AGREEMENTS WITH STATES.**

6 (a) IN GENERAL.—Subsection (a) of section 239 of
 7 the Trade Act of 1974 (19 U.S.C. 2311) is amended—

8 (1) in the matter preceding clause (1), by strik-
 9 ing “any State agency” and inserting “a State agen-
 10 cy”;

11 (2) in clause (2), to read as follows: “(2) in ac-
 12 cordance with subsections (e) and (f), will afford ad-
 13 versely affected workers testing and assessments, ca-
 14 reer counseling, referral to training and job search
 15 programs, and job placement services, and”;

16 (3) by striking clause (3); and

17 (4) by redesignating clause (4) as clause (3).

18 (b) ADMINISTRATION.—Subsection (e) of such sec-
 19 tion is amended—

20 (1) in the first sentence, to read as follows:

21 “Any agreement entered into under this section shall
 22 provide for the administration of the provision for
 23 reemployment services, training, and supplemental
 24 assistance under sections 235 and 236 of this Act by
 25 the same State agency responsible for the adminis-

1 tration of the State workforce investment program
2 funded under title I of the Workforce Investment
3 Act of 1998 (29 U.S.C. 2801 et seq.) and shall in-
4 clude such terms and conditions as are established
5 by the Secretary in consultation with the States and
6 set forth in such agreement.”;

7 (2) in the second sentence, by striking “Any
8 agency” and inserting “The agency”; and

9 (3) by adding at the end the following new sen-
10 tence: “The terms and conditions set forth in the
11 agreement shall include at a minimum that—

12 “(1) adversely affected workers applying for as-
13 sistance under this chapter shall be co-enrolled in
14 the dislocated worker program authorized under
15 chapter 5 of subtitle B of title I of the Workforce
16 Investment Act of 1998 (29 U.S.C. 2861 et seq.);
17 and

18 “(2) the services provided under this chapter
19 shall be administered through the one-stop delivery
20 system established under title I of such Act (29
21 U.S.C. 2801 et seq.).”.

22 (c) COOPERATING STATE AGENCY.—Subsection (f)
23 of such section is amended—

24 (1) in paragraph (2), by adding “and” at the end;

25 (2) by striking paragraph (3);

1 (3) by redesignating paragraph (4) as paragraph (3);

2 and

3 (4) in paragraph (3) (as redesignated by paragraph
4 (3) of this subsection), by striking “suitable”.

5 (d) PERFORMANCE ACCOUNTABILITY.—Such section
6 is further amended by adding at the end the following new
7 subsection:

8 “(h) PERFORMANCE ACCOUNTABILITY.—

9 “(1) IN GENERAL.—Any agreement entered
10 into under this section shall include performance
11 measures that the cooperating State or State agency
12 is expected to achieve with respect to the program
13 carried out under this chapter. The performance
14 measures shall consist of indicators of performance
15 and levels of performance applicable to each indi-
16 cator.

17 “(2) INDICATORS OF PERFORMANCE.—The in-
18 dicators of performance shall be—

19 “(A) entry into employment;

20 “(B) retention in employment;

21 “(C) average earnings; and

22 “(D) such other indicators as the Sec-
23 retary determines are appropriate.

24 “(3) LEVELS OF PERFORMANCE.—The levels of
25 performance for each State for the indicators of per-

1 performance described in paragraph (2) shall be deter-
2 mined by the Secretary, after consultation with the
3 State.

4 “(4) PERFORMANCE REPORTING.—Any agree-
5 ment shall also include a requirement that the State
6 annually report to the Secretary the level of per-
7 formance achieved with respect to each indicator
8 under the program carried out under this chapter in
9 the preceding fiscal year, and the State shall submit
10 such additional reports regarding the performance of
11 programs as the Secretary may require. The Sec-
12 retary shall make the information contained in the
13 annual reports available to the general public
14 through publication on the Website of the Depart-
15 ment of Labor and other appropriate methods and
16 shall provide copies of the reports to the Committee
17 on Ways and Means of the House of Representatives
18 and the Committee on Finance of the Senate. The
19 Secretary shall also publish on the Website of the
20 Department of Labor a list identifying those States
21 that fail to submit reports to the Secretary on a
22 timely basis or fail to submit accurate reports.”.

1 **SEC. 132. AUTHORIZATION OF APPROPRIATIONS; INCEN-**
2 **TIVE PAYMENTS TO STATES.**

3 (a) IN GENERAL.—Subsection (a) of section 245 of
4 the Trade Act of 1974 (19 U.S.C. 2317) is amended by
5 striking “December 31, 2007” and inserting “September
6 30, 2012”.

7 (b) INCENTIVE PAYMENTS TO STATES.—Such sec-
8 tion is further amended by adding at the end the following
9 new subsection:

10 “(c) INCENTIVE PAYMENTS TO STATES.—If, in the
11 last quarter of any fiscal year, the Secretary determines
12 that the amount of funds needed to make payments for
13 the costs of training under this chapter for such fiscal year
14 will not reach the amount of the limitation described in
15 section 236(b)(1)(A) and funds appropriated to make pay-
16 ments for the costs of such training remain available for
17 obligation, the Secretary may use not more than an
18 amount equal to five percent of the amount of the limita-
19 tion described in such section 236(b)(1)(A) to award funds
20 to States that the Secretary determines have dem-
21 onstrated exemplary performance in carrying out the pro-
22 gram under this chapter with respect to exceeding the per-
23 formance levels established pursuant to section 239(h) and
24 with respect to such other factors as the Secretary deter-
25 mines appropriate. Such funds shall be available to the
26 States for the purpose of enhancing the administration of

1 the program which may include improvements to manage-
 2 ment information systems, targeted outreach, staff train-
 3 ing, and enhanced services to participants.”.

4 (c) CONFORMING AND CLERICAL AMENDMENTS.—

5 (1) CONFORMING AMENDMENT.—Such section
 6 is further amended in the heading by inserting be-
 7 fore the period at the end the following: “**; INCEN-**
 8 **TIVE PAYMENTS TO STATES**”.

9 (2) CLERICAL AMENDMENT.—The table of con-
 10 tents in section 1 of the Trade Act of 1974 is
 11 amended by striking the item relating to section 245
 12 and inserting the following:

“Sec. 245. Authorization of appropriations; incentive payments to States.”.

13 **SEC. 133. PHASE-OUT OF DEMONSTRATION PROJECT FOR**
 14 **ALTERNATIVE TRADE ADJUSTMENT ASSIST-**
 15 **ANCE FOR OLDER WORKERS.**

16 Section 246(b)(1) of the Trade Act of 1974 (19
 17 U.S.C. 2318(b)(1)) is amended by striking “the date that
 18 is 5 years after the date under which such program is im-
 19 plemented by the State” and inserting “September 30,
 20 2008”.

21 **SEC. 134. WAGE SUPPLEMENT PROGRAM.**

22 (a) IN GENERAL.—Chapter 2 of title II of the Trade
 23 Act of 1974 (19 U.S.C. 2271 et seq.) is amended by in-
 24 serting after section 246 the following new section:

1 **“SEC. 246A. WAGE SUPPLEMENT PROGRAM.**

2 “(a) ESTABLISHMENT.—Beginning on October 1,
3 2008, the Secretary shall establish a program to provide
4 the benefits described in subsection (b) to an adversely
5 affected worker who meets the eligibility criteria described
6 in subsection (c), including the requirement that such
7 worker be employed for the minimum number of hours per
8 week described in subsection (c)(3).

9 “(b) BENEFITS.—

10 “(1) AMOUNT OF PAYMENTS.—A State shall
11 use the funds provided to the State under section
12 241 to pay an hourly wage supplement to an eligible
13 adversely affected worker for a period not to exceed
14 2 years, in an amount equal to the difference, if any
15 (but not less than zero) resulting from subtracting
16 the amount described in paragraph (2)(B) from the
17 amount described in paragraph (2)(A).

18 “(2) FACTORS.—(A) For purposes of paragraph
19 (1), the amount described in this subparagraph is
20 the sum of—

21 “(i) whichever is the highest of—

22 “(I) the hourly minimum wage that is
23 applicable to a worker under the Fair
24 Labor Standards Act of 1938 (29 U.S.C.
25 201 et seq.), or if such worker is exempt
26 under section 13 of such Act (29 U.S.C.

1 213), the hourly minimum wage that
2 would be applicable if section 6(a)(1) of
3 such Act (29 U.S.C. 206(a)(1)) were ap-
4 plied; or

5 “(II) the applicable State or local
6 hourly minimum wage; and

7 “(ii) \$2.40.

8 “(B) For purposes of paragraph (1), the
9 amount described in this subparagraph is the hourly
10 wage actually paid to such worker.

11 “(3) HEALTH INSURANCE ELIGIBILITY.—A
12 worker described in subsection (c) who is partici-
13 pating in the program established under subsection
14 (a) is eligible to receive, for a period not to exceed
15 2 years, a credit for health insurance costs to the ex-
16 tent provided under section 35 of the Internal Rev-
17 enue Code of 1986.

18 “(c) ELIGIBILITY FOR WAGE SUPPLEMENT.—A
19 worker in a group that the Secretary has certified as eligi-
20 ble to apply for adjustment assistance under section 223
21 may elect to receive the benefits described in subsection
22 (b) if such worker—

23 “(1) is covered by a certification under sub-
24 chapter A of this chapter;

1 “(2) meets the requirements of paragraphs (1)
2 and (2) of section 231(a));

3 “(3) is employed for an average of at least 30
4 hours per week, which may include employment as
5 part of an apprenticeship program registered under
6 the National Apprenticeship Act (20 U.S.C. 50 et
7 seq.);

8 “(4) does not return to the employment from
9 which the worker was separated; and

10 “(5) has not received any payments under sec-
11 tion 246 while covered under the same certification
12 as described in paragraph (1).

13 “(d) EFFECT ON OTHER BENEFITS.—A worker re-
14 ceiving payments under this section shall not be eligible
15 to receive other benefits under this chapter except for
16 training assistance provided under section 236 (provided
17 that such worker otherwise meets the requirements of sec-
18 tion 236) or the assistance described in subsection (b)(3).
19 A worker may receive payments under this section during
20 breaks in training that exceed the period described in sec-
21 tion 233(e) if the worker otherwise meets the requirements
22 of this section.”.

23 (b) CLERICAL AMENDMENT.—The table of contents
24 in section 1 of the Trade Act of 1974 is amended by in-
25 serting after the item relating to section 246 the following:

“Sec. 246A. Wage supplement program.”.

1 **SEC. 135. DEFINITIONS.**

2 Section 247 of the Trade Act of 1974 (19 U.S.C.
3 2319) is amended by adding at the end the following new
4 paragraphs:

5 “(18) The term ‘comparable employment’
6 means, with respect to a worker, work of a substan-
7 tially equal or higher skill level than the worker’s
8 past adversely affected employment, and wages for
9 such work at not less than 80 percent of the work-
10 er’s average weekly wage.

11 “(19) The term ‘adversely affected incumbent
12 worker’ means a worker who is a member of a group
13 of workers who have been certified as eligible to
14 apply for adjustment assistance under subchapter A
15 and who has not been separated from adversely af-
16 fected employment.”.

17 **SEC. 136. CAPACITY-BUILDING GRANTS TO ENHANCE**
18 **TRAINING FOR WORKERS.**

19 (a) IN GENERAL.—Chapter 2 of title II of the Trade
20 Act of 1974 (19 U.S.C. 2271 et seq.) is amended by add-
21 ing at the end the following new section:

22 **“SEC. 250. CAPACITY-BUILDING GRANTS TO ENHANCE**
23 **TRAINING FOR WORKERS.**

24 “(a) IN GENERAL.—The Secretary may award grants
25 to eligible entities described in subsection (b) to tempo-
26 rarily increase the capacity of such entities, through the

1 activities authorized under subsection (c), to provide train-
2 ing to workers as provided for in section 236.

3 “(b) ELIGIBLE ENTITIES.—An eligible entity re-
4 ferred to in subsection (a) is—

5 “(1) a community college (as such term is de-
6 fined in section 202(a)(2) of the Carl D. Perkins Vo-
7 cational and Applied Technology Education Amend-
8 ments of 1998 (20 U.S.C. 2371(a)(2)) that provides
9 training for occupations in demand; or

10 “(2) a provider of training for occupations in
11 demand that is eligible to receive funds under sec-
12 tion 122 of the Workforce Investment Act of 1998
13 (29 U.S.C. 2842).

14 “(c) AUTHORIZED ACTIVITIES.—An eligible entity
15 that is awarded a grant under this section shall utilize
16 funds under the grant to expand available training slots
17 and prepare adversely affected workers and adversely af-
18 fected incumbent workers under this chapter for occupa-
19 tions in demand by conducting such activities as the Sec-
20 retary may authorize, including—

21 “(1) the development of education and training
22 curricula, which may be developed in consultation
23 with employers of incumbent workers, local work-
24 force investment boards (as defined in section 117 of
25 the Workforce Investment Act of 1998 (29 U.S.C.

1 2832)), labor organizations that represent individ-
2 uals currently employed in occupations in demand
3 for the local area, regional economic development
4 agencies, one-stop operators (as defined in section
5 101(29) of such Act (29 U.S.C. 2801(29)), commu-
6 nity-based organizations, or any other public or pri-
7 vate entity that is likely to employ or facilitate the
8 employment of adversely affected workers in occupa-
9 tions in demand;

10 “(2) the hiring of additional faculty and staff;

11 “(3) the acquisition of new equipment or the
12 upgrading of existing equipment, which shall be nec-
13 essary to facilitate the teaching of job skills to ad-
14 versely affected workers and adversely affected in-
15 cumbent workers; and

16 “(4) the development of a program to provide
17 on-the-job training experiences for adversely affected
18 workers in coordination with local employers that
19 have committed to employ adversely affected workers
20 following successful completion of the program.

21 “(d) APPLICATION.—

22 “(1) REQUESTS FOR APPLICATIONS.—

23 “(A) BY THE SECRETARY.—In each fiscal
24 year, and at such times as the Secretary may
25 determine, the Secretary may request applica-

1 tions from eligible entities to carry out activities
2 authorized under this section.

3 “(B) BY AN ELIGIBLE ENTITY.—At any
4 time, and in such form and manner as the Sec-
5 retary may prescribe, an eligible entity may rec-
6 ommend that the Secretary initiate a request
7 for capacity building grant applications if the
8 eligible entity believes that there has been or
9 will be a sudden and significant shortage of
10 training slots available to adversely affected
11 workers and adversely affected incumbent work-
12 ers in a local area.

13 “(2) INFORMATION REQUIRED FOR APPLICA-
14 TION.—To be eligible to receive a grant under this
15 section, an applicant shall provide to the Secretary
16 the following information in the application:

17 “(A) A description of the factors in a local
18 area that have resulted or may result in a sig-
19 nificant increase in demand for training slots by
20 adversely affected workers and adversely af-
21 fected incumbent workers, which may include—

22 “(i) mass layoffs at firms that are be-
23 lieved to employ a large number of ad-
24 versely affected workers;

1 “(ii) imminent closure or relocation of
2 facilities that are believed to employ a
3 large number of adversely affected work-
4 ers; and

5 “(iii) prevailing labor market condi-
6 tions that may have an immediate, measur-
7 able adverse employment impact on the
8 employment of adversely affected workers.

9 “(B) A description of the number of train-
10 ing slots currently available to adversely af-
11 fected workers and adversely affected incum-
12 bent workers, and the number of proposed addi-
13 tional slots to be made available using funds
14 under the grant.

15 “(C) A description of the potential number
16 of adversely affected workers and adversely af-
17 fected incumbent workers in the local area who
18 would be able to access increased training slots.

19 “(D) A description of the commitment
20 made by local employers, labor organizations,
21 and other public or private organizations to as-
22 sist in the development of training and related
23 curricula for the benefit of adversely affected
24 workers and adversely affected incumbent work-
25 ers.

1 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 2 are authorized to be appropriated to carry out this section
 3 \$50,000,000 for each of fiscal years 2008 through 2012.”.

4 (b) CLERICAL AMENDMENT.—The table of contents
 5 in section 1 of the Trade Act of 1974 is amended by in-
 6 serting after the item relating to section 249 the following:

“Sec. 250. Capacity-building grants to enhance training for workers.”.

7 **Subtitle D—Effective Date**

8 **SEC. 141. EFFECTIVE DATE.**

9 The amendments made by this title shall take effect
 10 beginning 90 days after the date of the enactment of this
 11 Act.

12 **TITLE II—OTHER TRADE AD-** 13 **JUSTMENT ASSISTANCE PRO-** 14 **GRAMS AND RELATED PROVI-** 15 **SIONS**

16 **SEC. 201. TECHNICAL ASSISTANCE FOR FIRMS.**

17 Section 253 of the Trade Act of 1974 (19 U.S.C.
 18 2343) is amended by adding at the end the following new
 19 subsections:

20 “(c)(1) Any grant made under subsection (b)(3) shall
 21 include performance measures that an intermediary orga-
 22 nization is expected to achieve with respect to the program
 23 carried out under this chapter. The performance measures
 24 shall consist of indicators of performance described in
 25 paragraph (2) and levels of performance described in para-

1 graph (3) applicable to each such indicator of perform-
2 ance.

3 “(2) The indicators of performance referred to in
4 paragraph (1) are the following:

5 “(A) The extent to which outreach efforts effec-
6 tively apprise import-impacted firms likely to benefit
7 from the program about resources available under
8 the program.

9 “(B) The extent to which firms receiving ad-
10 justment assistance under section 252 meet or ex-
11 ceed targets to retain or create employment.

12 “(C) The percentage of workers totally or par-
13 tially separated from employment that have returned
14 to work or returned to their previous level of employ-
15 ment.

16 “(D) The extent to which firms receiving ad-
17 justment assistance under section 252 meet or ex-
18 ceed targets for maintaining or increasing sales or
19 production.

20 “(E) Such other indicators of performance as
21 the Secretary may determine are appropriate.

22 “(3) The levels of performance referred to in para-
23 graph (1) shall be determined by the Secretary, after con-
24 sultation with the intermediary organization. In reviewing
25 an intermediary organization’s levels of performance, the

1 Secretary shall take into consideration economic condi-
2 tions affecting the region served by the organization that
3 may affect that performance.

4 “(4)(A) Any grant made under subsection (b)(3)
5 shall also include a requirement that the intermediary or-
6 ganization submit to the Secretary a report on an annual
7 basis on the levels of performance achieved with respect
8 to each indicator of performance under the program car-
9 ried out under this chapter in the preceding fiscal year,
10 and such additional reports regarding such indicators of
11 performance as the Secretary may require.

12 “(B) The Secretary shall make the information con-
13 tained in the reports described in subparagraph (A) avail-
14 able to the general public through publication on the
15 Website of the Economic Development Administration and
16 other appropriate methods. The Secretary shall provide
17 copies of the reports described in subparagraph (A) to the
18 Committee on Ways and Means of the House of Rep-
19 resentatives and the Committee on Finance of the Senate.

20 “(C) The Secretary shall also publish on the Website
21 of the Economic Development Administration a list that
22 identifies those intermediary organizations that fail to
23 submit reports to the Secretary in accordance with sub-
24 paragraph (A) on a timely basis or fail to submit accurate

1 reports to the Secretary in accordance with subparagraph
2 (A).

3 “(d) At least once every three years, the Secretary
4 shall provide for an independent evaluation of each inter-
5 mediary organization receiving assistance under this sec-
6 tion to assess the intermediary organization’s performance
7 and contribution toward retention and creation of employ-
8 ment. The purpose of the evaluations shall be to determine
9 which intermediary organizations are performing well and
10 merit continued assistance under this section and which
11 intermediary organizations should not receive continued
12 assistance under this section, so that other universities
13 and intermediary organizations that have not previously
14 received assistance under this section may participate in
15 the program carried out under this chapter.”.

16 **SEC. 202. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**
17 **FOR FIRMS.**

18 Section 256(b) of the Trade Act of 1974 (19 U.S.C.
19 2346(b)) is amended—

20 (1) by striking “and \$4,000,000” and inserting
21 “\$4,000,000”; and

22 (2) by inserting after “October 1, 2007,” the
23 following: “\$15,000,000 for the 9-month period be-
24 ginning on January 1, 2008, and \$19,000,000 for
25 each of the fiscal years 2009 through 2012,”.

1 **SEC. 203. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**
2 **FOR FARMERS.**

3 Section 298(a) of the Trade Act of 1974 (19 U.S.C.
4 2401g(a)) is amended by adding at the end the following
5 new sentence: “There are authorized to be appropriated
6 to the Department of Agriculture to carry out this chapter
7 \$81,000,000 for the 9-month period beginning on January
8 1, 2008, and \$90,000,000 for each of the fiscal years 2009
9 through 2012.”.

10 **SEC. 204. JUDICIAL REVIEW.**

11 (a) IN GENERAL.—Section 284(a) of the Trade Act
12 of 1974 (19 U.S.C. 2395(a)) is amended in the first sen-
13 tence—

14 (1) by striking “or authorized representative”
15 and inserting “or other duly authorized representa-
16 tive”;

17 (2) by striking “aggrieved” and inserting “, or
18 any of the individuals or entities described in section
19 221(a)(1)(C), aggrieved (or on behalf of such work-
20 ers aggrieved)”; and

21 (3) by striking “section 223” and inserting
22 “section 226”.

23 (b) EFFECTIVE DATE.—The amendments made by
24 subsection (a) shall take effect beginning 90 days after
25 the date of the enactment of this Act.

1 **SEC. 205. TERMINATION.**

2 Section 285 of the Trade Act of 1974 (19 U.S.C.
3 2271 note) is amended by striking “December 31, 2007”
4 each place it appears and inserting “September 30,
5 2012”.

6 **TITLE III—MISCELLANEOUS**
7 **PROVISIONS**

8 **SEC. 301. CREDIT REDUCTION FOR FAILURES RELATING TO**
9 **CO-ENROLLMENT OF PARTICIPANTS AND**
10 **PROGRAM PERFORMANCE REPORTS.**

11 (a) IN GENERAL.—Paragraph (3) of section 3302(c)
12 of the Internal Revenue Code of 1986 is amended—

13 (1) by striking “(3) If” and inserting “(3) (A)

14 Except as provided in subparagraph (B), if”,

15 (2) by redesignating subparagraphs (A) and
16 (B) as clauses (i) and (ii), respectively, and

17 (3) by adding at the end the following new sub-
18 paragraph:

19 “(B) If the Secretary of Labor determines that
20 a State, or State agency, failed to meet the require-
21 ments of subsections (e)(1) (relating to the co-enroll-
22 ment of participants) or (h)(3) (relating to the sub-
23 mission of reports on program performance) of sec-
24 tion 239 of the Trade Act of 1974, the Secretary of
25 Labor may direct that, in the case of a taxpayer
26 subject to the unemployment compensation law of

1 such State, the total credits (after applying sub-
 2 sections (a) and (b) and paragraphs (1) and (2) of
 3 this section) otherwise allowable under this section
 4 for a year during which such State or agency fails
 5 to meet those requirements shall (in lieu of reduc-
 6 tion under subparagraph (A)) be reduced by 3 per-
 7 cent of the tax imposed with respect to wages paid
 8 by such taxpayer during such year which are attrib-
 9 utable to such State.”.

10 (b) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply with respect to taxable years begin-
 12 ning after September 30, 2008.

13 **SEC. 302. TAA WAGE SUPPLEMENT PARTICIPANTS ELIGI-**
 14 **BILITY FOR CREDIT FOR HEALTH INSURANCE**
 15 **COSTS.**

16 (a) ELIGIBILITY.—Paragraph (1) of section 35(c) of
 17 the Internal Revenue Code of 1986 is amended by striking
 18 “and” at the end of subparagraph (B), by striking the
 19 period at the end of subparagraph (C) and inserting “,
 20 and”, and by adding after subparagraph (C) the following:

21 “(D) an eligible TAA wage supplement re-
 22 cipient.”.

23 (b) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT
 24 DEFINED.—Subsection (c) of section 35 of such Code is
 25 amended by adding after paragraph (4) the following:

1 “(5) ELIGIBLE TAA WAGE SUPPLEMENT RECIPI-
 2 ENT.—The term ‘eligible TAA wage supplement re-
 3 cipient’ means, with respect to any month, any indi-
 4 vidual who—

5 “(A) is a worker described in section
 6 246A(c) of the Trade Act of 1974 who is par-
 7 ticipating in the wage supplement program es-
 8 tablished under section 246A(a) of such Act,
 9 and

10 “(B) is receiving a benefit for such month
 11 under section 246A(b) of such Act.

12 An individual shall continue to be treated as an eli-
 13 gible TAA wage supplement recipient during the
 14 first month that such individual would otherwise
 15 cease to be an eligible TAA wage supplement recipi-
 16 ent by reason of the preceding sentence.”.

17 (c) QUALIFIED HEALTH INSURANCE.—Subpara-
 18 graph (J) of section 35(e)(1) of such Code is amended
 19 by striking “or” at the end of clause (ii), by striking the
 20 period at the end of clause (iii) and inserting “, or”, and
 21 by inserting after clause (iii) the following:

22 “(iv) in the case of an eligible TAA
 23 wage supplement recipient, the benefit de-
 24 scribed in subsection (c)(5)(B).”.

1 (d) SUBSIDIZED COVERAGE.—Subparagraph (B) of
2 section 35(f)(1) of such Code is amended —

3 (1) by inserting “or an eligible TAA wage sup-
4 plement recipient” after “eligible alternative TAA
5 recipient” in the matter preceding clause (i), and

6 (2) by inserting “OR ELIGIBLE TAA WAGE SUP-
7 PLEMENT RECIPIENTS” after “ELIGIBLE ALTER-
8 NATIVE TAA RECIPIENTS” in the heading.

9 (e) ADVANCE PAYMENT OF HCTC.—Paragraph (1)
10 of section 7527(d) of such Code is amended by striking
11 “or an eligible alternative TAA recipient (as defined in
12 section 35(c)(3))” and inserting “, an eligible alternative
13 TAA recipient (as defined in section 35(c)(3)), or an eligi-
14 ble TAA wage supplement recipient (as defined in section
15 35(c)(5))”.

16 (f) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2007.

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